Draft Service Delivery and Budget Implementation Plans (SDBIP) 2015/2016

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Drafting of a municipal Integrated Development Plan (IDP);
Submission of IDP projects to inform the Municipal Budget;
Drafting of a Municipal Budget;
Developing of Performance Targets and Key Performance Indicators;
Drafting of a Draft SDBIP by the Municipal Manager and Management Team;
Submission of the SDBIP to the Mayor;
Approval of the SDBIP by the Mayor (28 days after approval of the annual budget);
Approval of the SDBIP by the Mayor;
Monitoring the SDBIP and Financial Oversight;
Review of the SDBIP on a Quarterly Basis;
Bi-annual reporting to Council;
Reporting on Service Delivery in terms of the SDBI

COMPONENTS OF SDBIP

Chapter 1 of the Municipal Finance Management Act defines SDBIP as:
''A detailed plan approved by the Mayor of a Municipality in terms of section 53(1)(c)(ii) for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate-
Projections for each month of-
Revenue to be collected, by source; and
Operational and capital expenditure, by vote;

Service delivery targets and performance indicators for each quarter''
The SDBIP must include the above information, which is the ***basic information*** required for the Municipal Manager to ensure performance. The SDBIP must also provide a mechanism and monitor for inputs, outputs and outcomes for each senior manager (department) by vote. One of the most fundamental and basic priorities of the Municipality is to collect all its revenue as budgeted failing which will undermine the primary aim of the municipality of delivering services. The Municipality must ensure that it has instituted measures to achieve monthly revenue targets for each revenue source.

The SDBIP information on revenue will be monitored and reported monthly by the Municipal Manager in terms of section 71(1) (a) and (e) of the MFMA. Service Delivery targets relate to the level and standard of services being provided to the community and include targets for the reduction of infrastructural backlogs in the community.

The internal or management information indicators (Middle Managers' action plans) should not be made public. The development of appropriate and clear service delivery performance targets and indicators is of the paramount importance in order to implement, monitor, measure and report on municipal performance.

METHODOLOGY FOR PREPARATION OF SDBIP

Section 69(3)(a)(b) of the MFMA requires the accounting officer to submit a draft SDBIP to the Mayor no later than 14 days after the approval of the budget and drafts of the performance agreements as required in terms of section 57(1)(b) of the Municipal Systems Act. The Mayor must subsequently approve the SDBIP no later than 28 days after the approval of the budget in accordance with section 53(1)(c)(ii) of the MFMA.

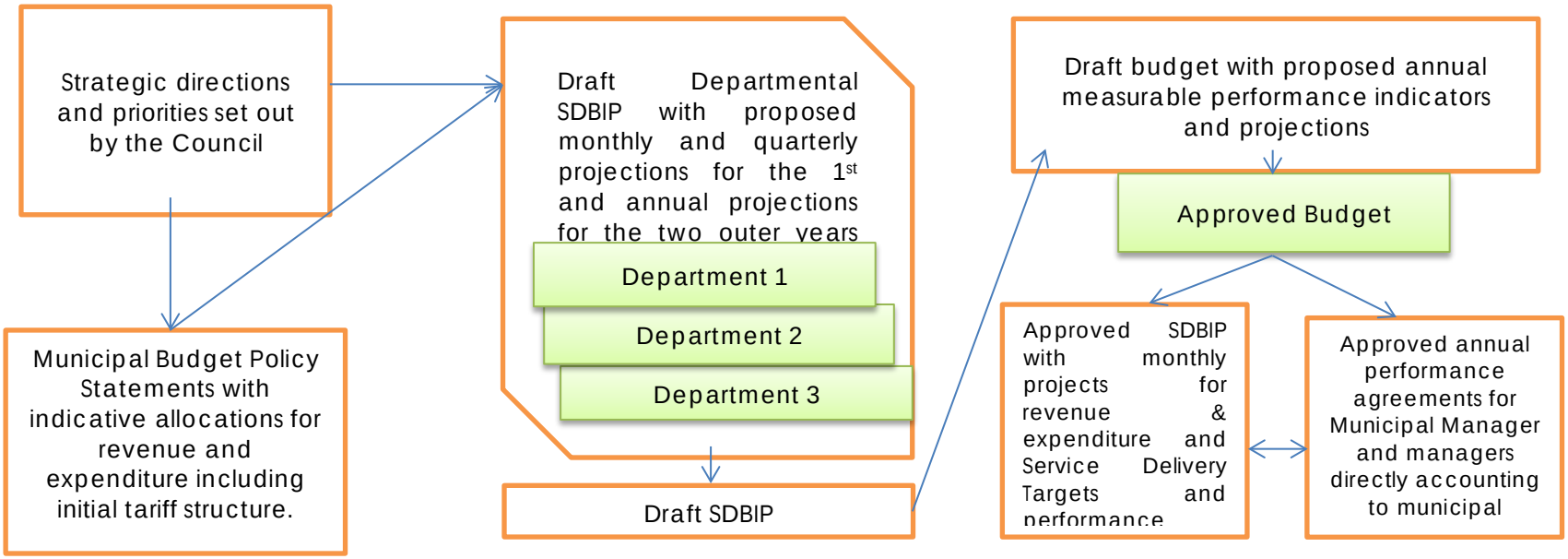
These legal requirements and deadline limits assist the municipality to comply with the law-however best practice suggests that this be done earlier by municipalities, starting with senior managers to draw up their second layer departmental SDBIP's in the early stages of the planning and budget preparation process in-line with the strategic direction of the IDP. The Mayor and Municipal Manager must be the driver of the process.

The Municipality should ideally publish its draft SDBIP with draft budget or soon thereafter as a supporting document in the IDP/Budget hearing process held at the end of March or in April. As noted above, the SDBIP should be submitted to the Mayor by 1st May the latest. If the draft SDBIP is to be provided for the IDP/Budget hearings, the municipality may want to bring this date forward or provide departmental SDBIPs as supporting information to the relevant committee around the end of March. In this case, the Mayor will need to approve such departmental or draft SDBIPs by mid-March. It should be noted that it is up to the Municipality to determine extra-detail and whether they wish to bring forward their date for submission and approval.

A Municipality could also opt to have the high level SDBIP complete with break-downs for tabling and publication, but may also in addition make available lower layer departmental SDBIPs and other information as requested by the Council. With careful planning of the budget process it may be possible for the Mayor to approve the SDBIP in less than 7 days after the Council approves the budget.

Legally, to take account of possible revisions to the budget, the Act allows for this to occur no later than 28 days after the budget approval. Figure 2 below shows the processes for approving the SDBIP including how the departmental SDBIP roll up into the draft SDBIP.

Figure 2: Process of Preparation and Approving the SDBIP


Strategic directions and priorities set out by the Council
Municipal Budget Policy Statements with indicative allocations for revenue and expenditure including initial tariff structure.
Draft Departmental SDBIP with proposed monthly and quarterly projections for the 1st and annual projections for the two outer years
Department 1
Department 2
Department 3
Draft SDBIP
Draft budget with proposed annual measurable performance indicators and projections
Approved Budget
Approved SDBIP with monthly projects for revenue & expenditure and Service Delivery Targets and performance
Approved annual performance agreements for Municipal Manager and managers directly accounting to municipal

Monthly projections of revenue and expenditure

The following tables indicate the monthly revenue and expenditure, followed by revenue and expenditure by vote and revenue and expenditure by standard classification:

Supporting Table SA25. Budgeted monthly revenue and expenditure - 6
Supporting Table SA26. Budgeted monthly revenue and expenditure (municipal vote) - 7
Supporting Table SA27. Budgeted monthly revenue and expenditure (standard classification) - 8

KZN233 Indaka - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote															
Vote 1 - Council & Executive	1 274				1 274				1 274			–	3 823	4 000	4 181
Vote 2 - Budget & Treasury												84 624	84 624	81 026	78 035
Vote 3 - Corporate Services	10	10	10	10	10	10	10	10	10	10	10	10	123	123	123
Vote 4 - Community Services	768											–	768	798	840
Vote 5 - Development & Planning												–	–	–	–
Vote 6 - Roads												31 051	31 051	22 787	30 890
Vote 7 - Waste Management	15	15	15	15	15	15	15	15	15	15	15	15	180	190	200
Vote 8 - Electrification												–	–	–	–
Vote 9 - [NAME OF VOTE 9]												–	–	–	–
Vote 10 - [NAME OF VOTE 10]												–	–	–	–
Vote 11 - [NAME OF VOTE 11]												–	–	–	–
Vote 12 - [NAME OF VOTE 12]												–	–	–	–
Vote 13 - [NAME OF VOTE 13]												–	–	–	–
Vote 14 - [NAME OF VOTE 14]												–	–	–	–
Vote 15 - [NAME OF VOTE 15]												–	–	–	–
Total Revenue by Vote	2 068	25	25	25	1 300	25	25	25	1 300	25	25	115 701	120 569	108 923	114 268
Expenditure by Vote to be appropriated															
Vote 1 - Council & Executive	843	843	843	843	843	843	843	843	843	843	843	843	10 121	10 737	11 358
Vote 2 - Budget & Treasury	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	25 022	26 506	27 999
Vote 3 - Corporate Services	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	12 938	13 709	14 484
Vote 4 - Community Services	139	139	139	139	139	139	139	139	139	139	139	139	1 667	1 767	1 868
Vote 5 - Development & Planning	101	101	101	101	101	101	101	101	101	101	101	101	1 211	1 285	1 359
Vote 6 - Roads	693	693	693	693	693	693	693	693	693	693	693	693	8 319	8 818	9 320
Vote 7 - Waste Management	101	101	101	101	101	101	101	101	101	101	101	101	1 210	1 281	1 353
Vote 8 - Electrification												–	–	–	–
Vote 9 - [NAME OF VOTE 9]												–	–	–	–
Vote 10 - [NAME OF VOTE 10]												–	–	–	–
Vote 11 - [NAME OF VOTE 11]												–	–	–	–
Vote 12 - [NAME OF VOTE 12]												–	–	–	–
Vote 13 - [NAME OF VOTE 13]												–	–	–	–
Vote 14 - [NAME OF VOTE 14]												–	–	–	–
Vote 15 - [NAME OF VOTE 15]												–	–	–	–
Total Expenditure by Vote	5 041	5 041	5 041	5 041	5 041	5 041	5 041	5 041	5 041	5 041	5 041	5 041	60 489	64 103	67 740
Surplus/(Deficit) before assoc.	(2 973)	(5 015)	(5 015)	(5 015)	(3 741)	(5 015)	(5 015)	(5 015)	(3 741)	(5 015)	(5 015)	110 660	60 080	44 821	46 528
Taxation												–	–	–	–
Attributable to minorities												–	–	–	–
Share of surplus/ (deficit) of associate												–	–	–	–
Surplus/(Deficit)	(2 973)	(5 015)	(5 015)	(5 015)	(3 741)	(5 015)	(5 015)	(5 015)	(3 741)	(5 015)	(5 015)	110 660	60 080	44 821	46 528

KZN233 Indaka - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue - Standard															
Governance and administration	1 285	10	10	10	1 285	10	10	10	1 285	10	10	84 635	88 570	85 149	82 338
Executive and council	1 274				1 274				1 274			–	3 823	4 000	4 181
Budget and treasury office												84 624	84 624	81 026	78 035
Corporate services	10	10	10	10	10	10	10	10	10	10	10	10	123	123	123
Community and public safety	768	–	–	–	–	–	–	–	–	–	–	–	768	798	840
Community and social services	768											–	768	798	840
Sport and recreation												–	–	–	–
Public safety												–	–	–	–
Housing												–	–	–	–
Health												–	–	–	–
Economic and environmental services	–	–	–	–	–	–	–	–	–	–	–	31 051	31 051	22 787	30 890
Planning and development												–	–	–	–
Road transport												31 051	31 051	22 787	30 890
Environmental protection												–	–	–	–
Trading services	15	15	15	15	15	15	15	15	15	15	15	15	180	190	200
Electricity												–	–	–	–
Water												–	–	–	–
Waste water management												–	–	–	–
Waste management	15	15	15	15	15	15	15	15	15	15	15	15	180	190	200
Other												–	–	–	–
Total Revenue - Standard	2 068	25	25	25	1 300	25	25	25	1 300	25	25	115 701	120 569	108 923	114 268
Expenditure - Standard															
Governance and administration	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	48 081	50 951	53 840
Executive and council	843	843	843	843	843	843	843	843	843	843	843	843	10 121	10 737	11 358
Budget and treasury office	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	25 022	26 506	27 999
Corporate services	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	1 078	12 938	13 709	14 484
Community and public safety	139	139	139	139	139	139	139	139	139	139	139	139	1 667	1 767	1 868
Community and social services	139	139	139	139	139	139	139	139	139	139	139	139	1 667	1 767	1 868
Sport and recreation												–	–	–	–
Public safety												–	–	–	–
Housing												–	–	–	–
Health												–	–	–	–
Economic and environmental services	832	832	832	832	832	832	832	832	832	832	832	376	9 531	10 103	10 679
Planning and development	139	139	139	139	139	139	139	139	139	139	139	(317)	1 211	1 285	1 359
Road transport	693	693	693	693	693	693	693	693	693	693	693	693	8 319	8 818	9 320
Environmental protection												–	–	–	–
Trading services	101	101	101	101	101	101	101	101	101	101	101	101	1 210	1 281	1 353
Electricity												–	–	–	–
Water												–	–	–	–
Waste water management												–	–	–	–
Waste management	101	101	101	101	101	101	101	101	101	101	101	101	1 210	1 281	1 353
Other												–	–	–	–
Total Expenditure - Standard	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	5 079	4 623	60 489	64 103	67 740
Surplus/(Deficit) before assoc.	(3 011)	(5 053)	(5 053)	(5 053)	(3 779)	(5 053)	(5 053)	(5 053)	(3 779)	(5 053)	(5 053)	111 078	60 080	44 821	46 528
Share of surplus/ (deficit) of associate												–	–	–	–
Surplus/(Deficit)	(3 011)	(5 053)	(5 053)	(5 053)	(3 779)	(5 053)	(5 053)	(5 053)	(3 779)	(5 053)	(5 053)	111 078	60 080	44 821	46 528

Monthly projections of capital expenditure per each vote

The following tables indicate the budgeted monthly capital expenditure by vote and budgeted monthly capital expenditure by standard classification

Supporting Table SA28. Budgeted monthly capital expenditure (municipal vote) - 10
Supporting Table SA28. Budget monthly capital expenditure (standard classification) - 11

KZN233 Indaka - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Multi-year expenditure *to be appropriated*															
Vote 1 - Council & Executive												–	–	–	–
Vote 2 - Budget & Treasury												–	–	–	–
Vote 3 - Corporate Services	95	95	95	95	95	95	95	95	95	95	95	95	1 135	142	149
Vote 4 - Community Services	198	198	198	198	198	198	198	198	198	198	198	198	2 375	2 494	2 618
Vote 5 - Development & Planning												–	–	–	–
Vote 6 - Roads	667	667	667	667	667	667	667	667	667	667	667	667	8 000	9 000	10 000
Vote 7 - Waste Management												–	–	–	–
Vote 8 - Electrification												–	–	–	–
Vote 9 - [NAME OF VOTE 9]												–	–	–	–
Vote 10 - [NAME OF VOTE 10]												–	–	–	–
Vote 11 - [NAME OF VOTE 11]												–	–	–	–
Vote 12 - [NAME OF VOTE 12]												–	–	–	–
Vote 13 - [NAME OF VOTE 13]												–	–	–	–
Vote 14 - [NAME OF VOTE 14]												–	–	–	–
Vote 15 - [NAME OF VOTE 15]												–	–	–	–
Capital multi-year expenditure sub-total	959	959	959	959	959	959	959	959	959	959	959	959	11 510	11 636	12 767
Single-year expenditure *to be appropriated*															
Vote 1 - Council & Executive												–	–	–	–
Vote 2 - Budget & Treasury			245									–	245	–	–
Vote 3 - Corporate Services		30										–	30	–	–
Vote 4 - Community Services	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	18 897	3 862	75
Vote 5 - Development & Planning												–	–	–	–
Vote 6 - Roads	2 500	1 875	2 567	1 245	1 000	2 750	1 450	1 780	1 980	1 675	2 000	512	21 334	28 000	23 890
Vote 7 - Waste Management												–	–	–	–
Vote 8 - Electrification		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000			–	8 000	–	7 000
Vote 9 - [NAME OF VOTE 9]												–	–	–	–
Vote 10 - [NAME OF VOTE 10]												–	–	–	–
Vote 11 - [NAME OF VOTE 11]												–	–	–	–
Vote 12 - [NAME OF VOTE 12]												–	–	–	–
Vote 13 - [NAME OF VOTE 13]												–	–	–	–
Vote 14 - [NAME OF VOTE 14]												–	–	–	–
Vote 15 - [NAME OF VOTE 15]												–	–	–	–
Capital single-year expenditure sub-total	4 075	4 480	5 387	3 820	3 575	5 325	4 025	4 355	4 555	3 250	3 575	2 087	48 506	31 862	30 965
Total Capital Expenditure	5 034	5 439	6 346	4 779	4 534	6 284	4 984	5 314	5 514	4 209	4 534	3 046	60 016	43 498	43 732

KZN233 Indaka - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital Expenditure - Standard															
Governance and administration	95	95	340	95	95	95	95	95	95	95	95	125	1 410	142	149
Executive and council												–	–	–	–
Budget and treasury office			245									–	245	–	–
Corporate services	95	95	95	95	95	95	95	95	95	95	95	125	1 165	142	149
Community and public safety	1 575	2 575	2 575	2 575	2 575	1 575	1 575	1 575	1 575	1 575	1 000	525	21 272	6 356	2 693
Community and social services	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 000	525	17 272	6 356	2 693
Sport and recreation		1 000	1 000	1 000	1 000							–	4 000	–	–
Public safety												–	–	–	–
Housing												–	–	–	–
Health												–	–	–	–
Economic and environmental services	2 500	4 500	1 890	4 678	2 490	1 246	2 467	1 764	1 256	1 900	2 165	2 478	29 334	37 000	33 890
Planning and development												–	–	–	–
Road transport	2 500	4 500	1 890	4 678	2 490	1 246	2 467	1 764	1 256	1 900	2 165	2 478	29 334	37 000	33 890
Environmental protection												–	–	–	–
Trading services	–	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	–	–	–	8 000	–	7 000
Electricity		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000			–	8 000	–	7 000
Water												–	–	–	–
Waste water management												–	–	–	–
Waste management												–	–	–	–
Other												–	–	–	–
Total Capital Expenditure - Standard	4 169	8 169	5 804	8 347	6 159	3 915	5 136	4 433	3 925	3 569	3 260	3 127	60 016	43 498	43 732
Funded by:															
National Government	10 017				10 017				10 017			–	30 051	22 787	30 890
Provincial Government												–	–	–	–
District Municipality												–	–	–	–
Other transfers and grants												–	–	–	–
Transfers recognised - capital	10 017	–	–	–	10 017	–	–	–	10 017	–	–	–	30 051	22 787	30 890
Public contributions & donations												–	–	–	–
Borrowing												–	–	–	–
Internally generated funds	1 169	1 169	1 804	1 347	159	3 915	1 136	2 433	3 925	3 569	3 260	6 076	29 965	21 711	12 842
Total Capital Funding	11 186	1 169	1 804	1 347	10 176	3 915	1 136	2 433	13 942	3 569	3 260	6 076	60 016	44 498	43 732